## Option 2 Contractor Rating Program

## Frequently Asked Questions

## Overview of the Contractor Rating Program

## Q. What is the contractor rating system?

1. The new contractor rating system will enable the performance of contractors working in the Option 2 system that provide Project Management or VEDN Audit Services to be rated based on their past performance.

## Q. What are the changes to the existing contactor rating system?

A. The new contractor rating system will apply to Option 2 Project Managers and VEDN audit Service Providers. Civil Contractors and Electrical Constructors will no longer be rated under this system.

## Q. Why are we introducing a new Rating System?

A. The new contractor rating system will reward good performance and provide additional incentives to contractors who follow established procedures.

## Q. How are ratings calculated?

A. The rating scale calculation is the sum of audits conducted over the last six months divided by the total number of audits. Refer Example: Option 2 Project Manager: 6 audits (over last 3 months) with results of: 98, 97, 96, 95, 89, 99 = 574 / 6 = 96.6. The rating for this Project Manager would be “A”.

## Q. How will performance be measured?

A. On a quarterly basis rating scores will be produced and calculated based on a six-month rolling average.

## Q. How will good Option 2 Project Manager performance be rewarded?

A. Option 2 project management companies will be rewarded for good performance by inclusion in a scheme that removes the Approved Final Audit as a pre-condition to consent to SoC.

## Q. What will happen if I am a Deficient or Substandard Contractor?

A. The projects you are involved in will be subject to a more rigorous final audit process. You will be assessed for your suitably to remain on the Recognised Contractors or for your suitably to provide VEDN audit services.

## Q. When will Contractor Ratings Certificates be sent?

A. Certificates will be sent on a quarterly basis.

## Q. Will ratings be made public?

A. No. Ratings will not be made public or published externally. Each contractor will receive their individual result only.

**Q. What rating will contractors commence on?**

A. Data collection will commence on all projects that comply with the Worksite Inspection Report requirements from the 01 July 2021. The first contractor rating certificates will be issued by the middle of October 20/21. If less than 3 audits are conducted, then Project Managers will remain on an Acceptable rating and the project will be subject to a Normal audit regime.

## Q. How will Developers or Industry stakeholders know what my rating is?

A. The rating results will not be made public. It is expected that Developers or industry stakeholders may ask to see a copy of the contractors rating certificate when tendering for projects.

## Q. What information will be on the reports I receive?

A. You will receive a PDF via email attachment. The PDF Rating Certificate is valid for 3 months and will display the company’s ratings.

# Electrical Project Manager 1 & 2 Company Rating Scheme

## Q. How will good Option 2 Project Manager performance be rewarded?

A. Option 2 project management companies will be rewarded for good performance by inclusion in a scheme that removes the Approved Final Audit as a pre-condition to consent to SoC.

## Q. How can I become eligible to apply for early Statement of Compliance (SoC)?

A. If you are an A Rating Electrical Project Manager working in conjunction with an A or B Rated VEDN Auditor Company service provider for a specific project you can become eligible to apply for early SoC.

Once you receive the notification that your audit has been scheduled and all Terms and Conditions in the contract has been completed you will be able to submit your application to your nominated Powercor Project Manager.

There is no longer a requirement for an Approved Final Audit Report being a pre-condition to applying for SoC.

## Q. What happens if my project receives non-compliances at the final audit?

A. If you have applied for early consent to SoC and the audit incurs non-compliances, you must rectify all non-compliances within 21 business days. An Approved Audit Report will then be issued. All non-compliances must be rectified prior to tie-in.

## Q. Do I need an Approved Audit Report prior to tie-in?

A. Yes. An Approved Audit Report will be issued once all non-compliances are rectified. This report is required prior to tie-in.

## Q. Will my rating be impacted if I do not resolve non-compliances prior to tie-in?

A. Yes. Performance Ratings may also be impacted and will be reviewed to determine if you will be eligible to apply for early SoC on future projects.

# VEDN Audit Company Rating Scheme

## Q. How will good VEDN auditor performance be rewarded?

A. VEDN audit companies will be rewarded for good performance by inclusion in a reduced audit scheme which includes a process where no mechanical excavations are required on a percentage of projects.

## Q. What is a Reduced audit?

A. A reduced audit will not require a booking. It will also include a desktop audit with above ground inspections and no mechanical excavations.

## Q. What is a Normal audit?

A. A normal audit is per current audit practice as per the below inspection regime.

## Q. What is an Enhanced audit?

A. An enhanced audit will incur additional excavations and an increased sample size.

## Q. What will happen if I receive a reduced audit, but I require traffic management for the audit to occur?

A. If your project requires traffic management or other site issues your PM2 will notify Powercor at the time of audit request and an appointment will be made to ensure the safety on site.

## Q. What will happen if I am a Deficient or Substandard Contractor?

A. The projects you are involved in will be subject to a more rigorous final audit process. You will be assessed for your suitably to remain on the Recognised Contractors or for your suitably to provide VEDN audit services.

# Final Audit Inspection Regime

## Q. What ratings make up the final audit inspection regime?

A. The VEDN audit company rating will determine the final audit inspection regime.

## Q. How does the final audit inspection allocation work?

A. The average rating of the VEDN audit service provider will be used to determine the audit regime as shown below.

|  |  |  |  |
| --- | --- | --- | --- |
| **VEDN Auditor Rating** | **Average Audit Score** | **Audit Allocation** | **Audit Regime** |
| A: Proficient | >92 | 70%  30% | Reduced  Normal |
| B: Acceptable | 86 - 91 | 40%  60% | Reduced  Normal |
| C: Deficient | 80 - 85 | 90%  10% | Normal  Enhanced |
| D: Substandard | <80 | 100% | Enhanced |

**Q. How does the final audit regime work?**

A. The audit regime is based on the information shown in the table bellow.

|  |  |  |
| --- | --- | --- |
| **Audit Regime** | **On Site Appointment for All Projects** | **Audit Process** |
| Reduced | No | Desktop and reduced above ground site Inspection  No mechanical excavations requirement |
| Normal | Yes | Desktop and site excavations with normal onsite inspection sample |
| Enhanced | Yes | Desktop and increased site excavations with increased onsite inspection sample |

**Q.** **What are the excavation parameters and how many excavations would there be on a typical audit?**

A. See below table for excavation parameters and the minimum number of excavations required. Example: If a project has a Kiosk, LV mains cable and HV assets this would be determined as having 3 parameters which would require a minimum of 3 excavations.

|  |  |
| --- | --- |
| Number of Parameters | MinimumExcavations Required |
| 7 | 7 |
| 6 | 6 |
| 5 | 5 |
| 4 | 4 |
| 3 | 3 |
| 2 | 2 |
| 1 | 1 |

|  |
| --- |
| Excavation Parameter |
| Kiosk / HV Switch Cabinet |
| HV assets (includes future use conduits) |
| LV main cable related assts |
| HV or LV Cable head pole/s |
| Project >30 lots |
| Enhanced Audit Regime |
| Enhanced Audit Regime |
| Public Lighting Project Only |
| Public Lighting Project only |
| Public Lighting Project >12 columns |

## Q. When are excavations expected to be undertaken?

A. Excavations will be undertaken on the day of the audit. The auditor will advise the excavation points at the commencement of the audit. The Electrical Project manager shall ensure sufficed machinery is onsite to conduct the required excavations in a timely manner.

## Q. Will all audits undergo excavations?

A. Not all audits will be subject to excavations. This will be determined by the Final Audit Inspection Regime.

## Q. Will there be a site visit on every audit?

A. Yes. Every audit will receive a site visit however it may not be subject to excavations (dependent upon the Final Audit Inspection Regime).

## Q. How much notice will I receive if projects do not require excavations (and excavation equipment is not needed on the day of the audit)?

A. When the audit is scheduled you will be advised whether excavations are required.

Q**. Am I able to delegate other people to conduct a remote site visit and carry out a Quality Assurance review of the documentation with regard to the PM1/2 declaration?**

## A. Yes, but overall responsibility remains with the PM1/2.

## Q. Who is responsible for coordinating and providing the nominated and mandatory report items to Powercor?

A. The PM1/2 is responsible for providing all information on the Final Audit Request.

## Q. What will happen if the additional information is not supplied?

A. If the required information is not supplied, the audit may be rejected pending additional information.

**General Questions**

## Q. Do these changes apply to Option 1?

A. Yes. All changes to the Open Trench Audit and Network Final Audit processes will also apply to Option 1.

## Q. Will there be any changes to the Design process?

A. The Design team are currently reviewing their processes and are considering whether to introduce a similar contractor rating system for accredited designers and/or cable detailers.

## Q. Will designers or cable detailers be included in the rating system?

A At this stage the rating system only applies VEDN audit Companies and Option 1/2 Project Managers however we are always reviewing our process to determine if improvements can be made.

## Q. What is the cost of the re-audit fee?

A. The re-audit fee is $1004.64 (per re-audit).

## Q. What is the process for managing disputes?

A. When a non-conformance is issued by the Network Auditor the Electrical Project Manager may challenge the non-compliance. All challenges shall include supporting documentation, explanation and reference to the technical standard (copied into the challenge) / process /or procedure.

The challenge must always be sent to the Network Auditor in the first instance for review.

When a challenge is denied by the network Auditor and the PM2 believes they still have a case this can be escalated to the Field Audit Team Leader or Field Audit and Quality Manager for review. Any challenge that is escalated in this manner must include full and complete copies of all previous correspondence between the Electrical Project Manager and the Network Auditor.